INTRODUCTION

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INTELLUFAX 21

Mr. Chairman, Rotarian Friends, Gentlemen:

U 16443.

This is to thank you for this wonderful introduction from your President. It is far better than I really am. However, I don't want you to feel that I am a strange, odd bird with blue feathers. I am just one of those ordinary boys, running around here in your charming community, seeking to make a livelihood, and struggling with bated breath against the timeclock.

Oh, those 8 A. M.'s!

Before entering into the main subject, let me tell you how very much honored I feel having bestowed on me the distinguished privilege of talking to you. May I add to this, I feel proud and thankful.

Its explanation roots deep into my childhood, way back, some twentyfive years ago, to my first encounter with Rotary.

I was a small boy when, one day, my mother drove me home from school through the magnificent Danube quay of Budapest. Passing the Houses of Parliament, an old Gothic building which is an exact copy of Westminster in London, my child's imagination was caught by the large number of various national banners and colors, waving and fluttering in the evening breeze. As one of those eager beaver youngsters, my main objective was to divert my mother's attention from the wheel, and instantaneously grasped this extraordinary display as one of my most challenging possibilities. I started listing to her all the flags of nations I recognized, but suddenly was stunned by a huge one hanging predominantly in the center aisle. I never saw anything similar before; it has no specific colors, indicating that it did not pertain to any ONE NATION. It had no lions, nor swords, nor crowns, nor stars, nor cross, or bibles as its crest, just a large, simple wheel. I had seen this wheel once before, I knew, and it did not take me too long to follow up this association with our country home, and Master John. John, who was the foreman This unevaluated information for US Officials

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in the wheel-barrow shop, had a large calendar hanging above his tools with the very same wheel, evidently an advertisement.

My infant's mind searched for a connection between these two wheels so I asked my mother if Master John or one of his kin had been elected to Parliament. It seemed a perfectly normal thing to me as he was one of the most important personalities of my early life. He used to give me nails, bolts, even once a little hammer, all immeasurably important treasures at a small age.

My mother smiled and told me that the reason for all the flags was the international conference of a large organization. I did not speak English in those days, and she spoke French to me. She explained to me what "rotation" means. It means to move, the movement, to turn. She said, "This is the world convention of a club, called Rotary, which consists of people who turn, move, toward good things because they are good people themselves. They come from all parts of the globe. Some of those people sitting in the Convention in the Parliament Building are yellow people from China, some black people from Africa, some English, some French, and some from the other side of the Atlantic, from the Americas, where people speak English and Spanish."

All this seemed very fascinating to me. However, the noble qualities of all these people were highlighted, in my child's sight, by a side remark my mother made. "Your Uncle Francis sits with those men in the Convention, and you know what a good man he is. He even bought you a bicycle last Christmas." This bicycle had terrific importance in my early days. It was the fulfillment of one of my first dreams. Should I have had any doubts left, after Mother's explanation, of these Rotarians it certainly vanished, and the proud and important ownership of the Christmas bicycle filled my young lad's innocent and dreamy heart with sufficient reserves, that any organization good Uncle Francis belonged to should be looked upon with awe and full respect.

Even after so many years, I am thankful to my mother for this childish

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explanation. It helped me to weave it, as a fairy tale, in my sub-conscious. And as the growing knowledge of on-coming years distilled these golden clouds of fairy tales, the crystals of truth, the basis and remainder of this conversation, refracted the light with rays of deep appreciation, through space and time, of an unchanged attitude to an inconvertible crystal or truth, that Rotarians are good people, and a good organization.

Gentlemen: These twenty-five years, all over the world, but mainly in Europe, have been years of bloodshed and terrible spiritual calamities.

Our sacred inheritance of twenty centuries, the cross, has been defiled under the utterly unchristian segregational superiority of the Nazi dogmas. Our inheritance of human dignity, liberty and freedom is constantly misused as the watchword of communist propaganda.

Very few organizations were able to sail unbattered through these tempests. Let me tell you that the International Rotary Clubs were one of these.

When parents disappear from our lives, whether through natural causes, or afflicted by contemporary calamities of a global nature, it always can be considered as a heartening thing when the flow of years is hallmarked with the occurrence of situations in which we are granted the favor of living up, in one way or another, to their late expectations. I said at the beginning that I feel proud. I may add I know so would my poor mother too, should she, thousands of miles away from her only child, deported to some camp, know that what she so many years ago called a good and outstanding organization, the Rotary Club, honored me, and through me her, by having me the guest speaker on International Night, far beyond the high seas, in the distant Commonwealth of Pennsylvania.

This is why I said at the beginning that I am thankful, because, in maturity of manhood, to please the spirit of those who fostered us always Approved For Release 2000/09/01:CJA-RDP83-00423R000400780002-0

manifests a token of our tribute for the eternally unpayable debts and the gratitude that we all owe our beloved parents.

I also wish to convey greetings and a message I brought, as well as to pass on to you the symbol of good-will: this small match-box, with its painting of an historical pageant on the lid. We all received them, some years ago, at the International Day meeting of the chapter of the Rotary Club in the Royal Borough of Cambridge, in the County of Cambridgeshire, in the United Kingdom.

Forty-eight scholars of forty-eight lands shared the club's hospitality at this luncheon meeting. The Speaker, the world renowned scientist and Master of St. Katherine's College, entrusted us in his brief address with a mission. He said, "In whatever part of this globe you may dwell, whatever your standing shall be in your communities, whether Rotarians or laymen, scientists or businessmen, abide by the Rotarian principle

is the basis of International understanding, goodwill and peace."

We, the holders of these match-boxes, made arrangements, in commemoration of this successful day, to send each other, every Yuletide good wishes, regardless of on which side of the Equator we shall strive, and, meantime, give the Master a word, too, of our successes or failures to live up to these great ideals. This Christmas I received cards from Uganda, Tanganyika, Egypt, Hong-Kong, Malaya, Australia, New Zealand, in addition to many from European and Latin American countries, as well as from Pittsburgh, Pa.

I shall feel it my distinguished honor to notify the Master that I have been granted the favor of addressing your meeting, a chapter of his big organization.

It is indeed a great honor for me, Gentlemen.

### Part II:

I was asked to talk about communism. I am not going to tell you dreadful stories of human suffering, of medieval inquisitions, of the torment of bodies and souls, exposed to the merciless hands of communism. These things are known to anyone today who reads newspapers beyond the funnies. I mean to begin where the non-funny stories start.

I shall describe some of my personal experiences, seeking to analyze these with the mere tools of common sense; what I saw occur in a community similar to yours; how any man, just walking on the street of life, without geographical limitations, without any particular personal standing -- any ordinary, everyday man -- you, or your neighbor, Jim Jones, of Main Street, Anytown, U.S.A., could be selected, and become, the innocent victim of fate, the tool of this international conspiracy.

To follow this sequence it seems mandatory to clear some generally accepted false assumptions.

Don't fool yourself, with false pleasure, that it couldn't happen here. At home in Hungary I heard all through my childhood the promising proclamations of the "it couldn't happen heres", of the "it couldn't occur in Europe", "it has no lure for freedom-loving farmers", "it is irrelevant and repugnant in any Christian community or nation". "It is just one of those dopes that are able to seduce down-trodden Asiatics"...

Well, and still . . . it did.

Communism takes over in either one or both of two ways, by means of a domestic revolution or by subduing local governments with the aide of outside aggression. Scrutinized with a student's eye, the growing trends of this country, both in domestic and foreign affairs, reveal a hope, if not a promise, that the possibility of either of these communistic coup d'etat seems unlikely

Approved For Release 2000/09/01: CIA-RDP83-00423R000400780002-0 at the present time. However, there is always danger in boasting about currently satisfying situations, and let us not abide in the realm of false security. Let us suppose that some drastic changes would off-set the current balance of power in the outside world. Let us assume that due to some unpredictable tragedy Britain and Canada would fall in the face of the Red Tempest. Let's assume that the enemy was standing at the Great Takes or the Mexican Border.

Let us not kid ourselves that the very same precisely developed machinery, with perhaps some minor adjustments, could not be set, with the same success, so as to cause landslides here, too.

In some mysterious way, people always seem to be inclined to picture in their minds any sort of revolution or a communist seizing of power as that depicted in the famous painting of the Siege of the Bastille in Paris, a siege which gave the green light to irresponsible mobs and stimulated the start of the French Revolution. They may also link it, visually, with the slaying of a Russian Czar, with the murder of nobles and the dispossessing of landlords, or perhaps to the execution of a handful of Chinese merchants of debatable character. This is all put into a frame of general hulabaloo, the burning of buildings, wrecking of streetcars, smashed windows, noise of battle, and general confusion.

These are the concepts, the picture and the frame, that make its occurrence in peaceful Anytown, U.S.A. seem fantastic to Mr. Jones.

But! Mr. Jones! The depth of danger is far deeper than the forces you have pictured. Those forces are striking to an outside observer, but are of short term and affect comparatively few people.

But, REMEMBER, MR. JONES, to live under communist domination affects every individual

from large to small, both in attitude to life and too the way you live, all over all Anytowns, U.S.A.

False concepts are often spread by communists themselves. One of them is the belief that its occurrence is largely confined to the poor and iliterate.

One of the great dangers facing this nation is to accept this fallacy. Poverty and stupidity are unquestionably fertile grounds for any agitation, but, remember, by far not the only ones. It can be drilled into any ground or PLOT point should Russian bosses decide to switch any new or virgin areas to their side. As proved in the near past in only too many countries, it has never seemed to be a serious obstacle to their unscrupulous ideals that only one-quarter of one per cent of the entire population supported them as against 99 and three-quarters opposed. These figures were expressed by the people as an open demonstration of their attitude just shortly preceding their subjugation to the will of the Communists.

They are very well armored, indeed, with the heavy equipment of immorality and sinister, subtle powers to make furrows, till, and conquer any ground they want, however resistant. After they move in they divide the fields of life into many small patches which are carefully fenced in by the boundaries of rigid power. Deceivingly they will first merely harrow and seed it, with the seed of the flower of friendship. But when they start to feel installed in their new possessions, when all equipment is moved in and set to work, then they shall convert, in their well-developed way of destruction, all flourishing [-12] of into poisonous, deadly weedlands.

You will say, "All this is ridiculous." To understand you must know something about what motivates their basic doctrines. Their philosophical inheritance derives from Carl Marx' thesis of dialectical materialism. This was

perfected in one of Stalin's works, and similar to medieval Machiavelli, says, appropriately that:

ALL DEEDS, REGARDLESS OF THEIR MORALITY, ARE COMPLETELY JUSTIFIED IF THEY SERVE THE OBJECTIVE.

In other words: Nothing is holy, nothing is sacred, not life (familiar to those who know the Orient) nor any human relations.

The tools this sytem has globally introduced are

RUTHLESSNESS

FORCE

FEAR

I mentioned in the beginning that it is not my objective to enter into these details at this time. My goal is to line out the recipients' side. How would you here, in Anytown, U.S.A., take it, as a community, as individuals, or as Rotarians?

Knowing you all, there is no doubt in my mind, Rotarian Friends, you would take it, from the first minute on, with deep disgust. But may I also assume that you would, understandably, accept it as the only method of survival,

with small compromises - - - -

with the long, arduous road of small compromises. Your attitude, may I say, would be, at least at the beginning, "Well, that's bad, but this should be all there is to it." "Well, it still seems far better than those strange stories told by refugees from behind the Iron Curtain." "After All, I am repeatedly assured that I may keep my job." Etc.

You would be bullied, step by step, through a Calvary of compromises, to a point where you would realize that you were stuck in the swamp, that you were detained in a spiritual pit. There is no way back, no way to reverse this dead alley. The only free way is blocked by prison bars.

Their machinery would continue to work with the utmost accuracy. All possible means of communication would be used to broadcast to the world attractive

angles and sound propositions of their regime, angles and propositions whose purpose would be to lure victims to the bait of the ravening wolves.

You would not be able to turn on your radio without hearing them promising you that there will not be any significant changes

This is another country

Everything is quite different here, the language, customs, people

Things that happened in Russia could never occur in this wonderful land of plenty,

With its high standard of living, in this industrially far advanced, Christian community, etc., etc.

As the near future does not show any outstanding changes, people, little by little, start to absorb first only some, then always in increasing amounts, these slogans until they are hopelessly entangled in the spider's treacherous web.

Since the disastrous conference at Yalta the entire world opinion has been bullied by a long line of compromises, some of them still pending, others with their unfulfilled promises, creating a row of false appeasements. Ironically enough, this convention which held the hopes and prayers of innumerable people was bullied, too. Of grave international significance, entrusted to engineer the path of nations for many years to come and pilot their task of getting on side by side on the narrow, cobble-stone trail of understanding, the Yalta conference was misled and converted into the greatest written document supporting and disguising human crime. This trail of understanding is soaked, day by day, with the sweat, blood and tears of millions of innocent victims in slave camps in Europe and Asia. Now it is winding up the

bloody path in Korea.

Childish hopes, matched with unintentional negligence, gave our benediction to this shameful and deplorable affair. However, let us not overlook the fact that we confronted an opponent who had no ideals whatsoever, just a masterminded, predetermined plot to weaken and leach us of our strength and finally absorb us when the time comes to do so.

It is noted that one of the great American virtues is to do first things first; to put it another way, to tackle with priority the hard facts and problems, and not fool ourselves with illusions, not seeing the forest for the trees.

This old spirit has been set aside by long lines of compromises.

Don't you Rotarians realize that this deadly challenge

EVERYTHING BEING JUSTIFIED FOR THE SAKE OF SUCCESS, regardless of the means by which it is achieved, can only be dealt with by forces of similar dimensions:

meet force by force.

Though it may be shocking to some of you, there is not, and never will be, any compromise with hooligans and thugs. These can only be curbed by proven superior strength or -- we have to abandon voluntarily all our sacred possessions and wind up, unconditionally, in their alleys. It is a bitter truth, but there is no known third way to go.

# PART III. THE PLOT

Let us now get a step farther. Let me describe to you a life picture of how the plot is developed in a living community.

I feel that it is necessary at this time to make a formal statement that all names used in this paper are fictitious, and any similarity which may occur to living persons is mere coincidence. The purpose is not to depict any certain characters in this community, but to describe the fate of persons holding corresponding positions.

I shall use as a pattern New Holland, Pa., but I might as well have chosen the name, Anytown, U.S.A.

I shall translate my experiences in a small town, hereby referred to only as P., in my native Hungary.

P. was very much like New Holland, having also some three thousand inhabitants. Its distances to larger communities were similar and it had approximately the same distribution of agriculture and industry. It too, had a Machine Company, with about twelve hundred people on the payroll, the majority of whom, similarly, commuted from the surrounding countryside.

It had two known, and one suspected, communists.

As all revolutions go by stages, I shall try to describe the successive events that occur in the taking-over of a community.

First Period: Enemy or revolutionary force enters P., in Hungary, or New

Holland, Pa., or Anytown, U.S.A.

They will dispose of the two local policemen.

They will order a day's public feast.

They will instantly select a new Mayor.

They will appropriate the local newspaper.

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At this stage they have a double goal:

task 1: To keep the economical life of the community moving undisruptedly.

task 2: To gain time to build a strong police and security force in the county.

Task one will be accomplished by increasing confidence in the new administration by all conceivable means. Therefore:

the former mayor, Bill Thornton, although replaced, shall be nominated vice-president of the Machine Company. The management will be only too willing to grant the new administration this favor. He will also be appointed head of the borough's educational committee.

People will say, "After all, even Bill got away. Why couldn't we, too?" They start to compromise.

The President of the Machine Company, Al Baxter, will remain in office. There are no changes at this time, so as not to disrupt operations. However, an entirely unknown person, a communist who previously was an electrician at the Conowingo Power Plant in Maryland, will be asked to be Mr. Baxter's assistant. Mr. Baxter will be politely informed that this is the price of his staying. He will be delighted to accept this seemingly unimportant alternative, and begins to compromise . . .

The new mayor will be a man with integrity beyond suspicion and of high personal repute in the community. People will again compromise, saying, "After all, if Pastor Burckhart

is the mayor, things can't develop too badly. Worse things could happen. They could have brought some diehard communist from the Salem, Massachusetts, shipyard who could make life really tough."

A night or two before his appointment Pastor Burckhart was dragged to the secret police. To make it sound well, he was asked most politely to come over to give the new authorities some practical advice. There he was told: "Listen you fellow! Eight years ago you preached against the communists in a sermon." (It is entirely beside the fact that he never had, but even should he have done so, how could he recall a sideline in a sermon eight years back?) "We want to make you Mayor. If you don't agree we shall arrest you here on the spot and also arrest your entire family." He will be menaced, yelled at. He will also be told that they want nothing additional from him, that there are no strings attached. They just want him to be a good mayor. He must not handle police affairs. They will remove that burden from him. He must organize a village council with nine members including himself. Three of them should be Republicans, three of them Democrats, (only people with a slight leftish leaning welcomed from both groups), and three of them Communists. But there are not three communists in the whole borough. To solve this dilemma they nominate one, and two other people who immediately join their party. Should Pastor Burckhart decline the offer both his and his family's fate will be

fulfilled. You must note, at this point, that anyone coming out alive from any similar "friendly discussion" must pledge under oath, and the threat of terrible repercussions, that he will never disclose any part of the conversation. He is warned, however, to describe how well he had been treated. Poor Pastor Burckhart is helpless. He is a puppet. All decisions are made by the three communists who play the major role in the village council; thus the pattern that acquires one-third of the council votes without having voters to back them.

Second Period: One month later: a decree is issued (notice the phraseology) by the head of the State Police or the commanding officer of the Occupation Forces that in order to avoid bloodshed, all persons who have committed criminal acts against their fellow men can be put in preventitive custody, without trial, to safeguard them, for their own interest, against public upsurge. Do you realize what this means? This means that anyone disliked by the new rulers can be arrested by a police officer without any charge whatsoever. He can be put into a concentration or labor camp for years without being granted a hearing. There are millions of people behind the Iron Curtain who, due to this single decree, are in camps without knowing what they are accused of. Another decree will order that passports are required for travel more than twenty-five miles out of the county. Passports are only granted for very good reasons. Offenders

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are put into labor camps.

Third Period: Five months later: (in between nothing happens except the building up of the police force. It consists mainly of convicts, minors and bravos.)

Seven prominent citizens are arrested.

Mr. McClure, the tavern keeper on Main Street
the Aome Store manager
two prosperous farmers
the man second in command of the local bank
two Republican members of the borough council.

#### Consequences

In six-inch headlines the only paper (now Communist) will announce incredible charges against these highly respected citizens. In the borough council the communists will publicly denounce these criminals as enemies of the people. In the next few days about fifteen people, including women and young girls, will be picked up by agents of the Secret Police. Emphasis will be laid on their selection. They must come from widely scattered areas and different districts and streets in order that each section of the community may have its own sensation and rumor. Some of these unfortunates shall never return; after some days, others straggle in one by one. They answer no questions and insist that they have been treated well. In a day or so, via the grapevine, the entire community will whisper the truth.

Many of the people will say again, "Aren't we smart that we have been able to keep out of trouble!" Again they will

compromise.

Pastor Burckhart has just decided that he is going to resign as mayor, at whatever price or personal sacrifice.

Understandably, he changes his mind. He has a sixteen-year-old daughter.

In the face of these events, two people commit suicide.

A young girl, buying a soft drink in the candy shop, brags about knowing the cause of these tragedies. She is sent to a labor camp in Pittsburgh the next day. The communist press will comment that it was done in her own interest, to save her from public outrage over the slanderous lies she spread.

#### One month later:

A trial will be held. All jurors will be party members.

- (a) The tortured people, who saw their relatives, wives, and children clubbed to unconsciousness, willingly admit everything of which they have been accused in order to avoid further suffering.
- (b) All shall be convicted, and all their properties, even their household belongings, expropriated.
- (c) With the arrest and conviction of two of the six nonCommunist borough councilors, whose places in the council
  are not replaced, the communists reach the ratio in the
  local legislation of three to four. They are still in the
  minority, but by now are the largest single party.
- (d) After several weeks in prison, the man second in command of the Bank and the manager of the Acme store receive an

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offer: freedom for them and their families, restoration of certain confiscated personal properties. But they must work with full obedience to the communists.

The broken men both agree. The Vice-president of the bank must go with his family to Chattanooga, Tennessee, to become the communist aide to the President of the First National Bank. The Acme manager must run a large, new store in Poughkeepsie, New York. This is the pattern that creates communist officials in places where no communist ranks exist.

- (e) Pastor Burckhart can't stand all this. He wants to resign.

  He and his wife are invited to dinner by the Police Chief
  in the neighboring city. This is an order of life and
  death. They return twenty-four hours later. He has decided
  to remain on the job.
- (f) In consequence of these events, Al Baxter, the President of the Machine Company, suddenly resigns. Rumors have been floating around that one of the convicted men repeatedly mentioned his name as a co-plotter. However, he leaves in peace. He too compromises. He thinks, "After all, worse things could have happened to me."

With him, five people are requested to resign from the company.

The remaining officers, under pressure from the authorities, promote Mr. Baxter's communist aide, a former electrician, to be Vice-President in charge of Personnel and Industrial Relations. A very efficient young accountant suddenly becomes Assistant to the Treasurer. With this the frame-work

of the new management in the Machine Company is completed. To silence excitement and restore peace among the remaining employees, and to increase confidence in the new management, Bill Rivercombe, the popular young Bice-President in charge of Engineering, is mentioned by the Communists as the only welcome choice for the Presidency. The Board of Directors willingly agree. They too, compromise. "After all, Bill is our man. It's really lucky, isn't it, this choice? An outsider, a communist, could have gotten the job." Bill does not want to accept the nomination, but is advised through personal channels, via the efficient accountant, what would be the fate of his family should he decline. The Board of Directors press him to accept, too. This is all part of the pattern. Sack five or six and kick one upwards on a temporary basis to increase confidence and to keep the show running. However, Bill's powers are limited as the communist aide, now Vice-President of Personnel, makes most of his decisions for him.

Fourth Period: Three months later: Meanwhile nothing has happened. Then, a new purge -- eight people, including two clergymen, detained.

Pastor Burckhart is allowed to resign as Mayor. He has been the unhappiest man in the community. He is now permitted to function as a clergyman, but he, too, is an unintentional compromiser on the road to Calvary. The Mayor had been one of the Republican Councilmen, so that this vacates another seat which is not filled. The non-communist votes have dwindled to three and the communists retain their

original three. The ratio is now fifty-fifty.

At the next Council meeting a Democratic member makes disparaging remarks about this situation. The following night he and his entire family are abducted. His place remains unfilled, giving the communists the majority of three votes to two.

This is the pattern by which they seize power in the Borough legislation. At this time practically all judges are dismissed and their places filled with leftish-leaning trade-union officials.

Fifth Period: Four months later: (meanwhile nothing happens).

In the Federal Parliament, power shifts by similar means to the Communists. The first act of this communist majority is to accept unanimously and ratify in the very same hour a Government decree, by now a law, which:

Appropriates all industries, banks, or trade organizations which have more than a hundred employees on their payrolls, or whose working capital exceeds three hundred thousand dollars. It means the appropriation of almost all private capital. It's importance will be analyzed later on. within some weeks:

Keith Sanders, steelbuyer of the Machine Company, is arrested, as well as his wife, pretty secretary, and two expediters. He is charged with sabotage as the Machine Company had been obliged to suspend operation for a week because of a steel shortage. He is alleged to have sabotaged deliberately the ordinary flow of steel to the Company to retaliate for the

expropriation by the state and to deprive the people and the state of the fruits of this new common property.

Keith, in addition to hours of torture, was forced to watch the clubbing and tormenting of both his wife and secretary.

He finally not only agreed to all the charges, but voluntarily confessed to additional ones.

Everybody in New Holland is fully aware of his innocence.

Everybody knows that the lack of steel shipments was completely beyond his control. The state-owned steel mills in Pittsburgh had not delivered the steel. He called them on the phone, day by day. He put in the orders earlier; a routine custom that prevailed in the old days. He finally grew aggressive and was told by a new official to watch his step. His old connections in Pittsburgh were all gone, fired, detained, or transferred. When he told this story to the investigators it cost him two additional teeth. The investigators summoned the phone operator who, horrorridden, testified against him. Then he gave up. He didn't care about anything anymore.

Keith, the steelbuyer, is convicted. He gets a life term. His wife, secretary, and the expediters all go the concentration camps. The men are released after six months and are only too willing to take any job by which they can prove their loyalty to the Party, in any part of the country. Keith's wife, too, gets out. She wants to support her children, who have spent this time in a communist orphanage, and so she takes the only offered job. She becomes a

communist social aid in Ohio.

Consequences of events in this fifth period.

People generally think that all these things are pretty bad, though of course they dare not say so. But after all they again compromise, saying, "There are only two companies in New Holland that would be affected by these changes.

Aren't we lucky we will get away again?"

However, they are wrong. In a brief time, they realize that

The Bank is nationalized, as part of the Federal
Reserve System

The local dairies are nationalized as part of the state-wide Penn Supreme Dairies Chain

The Acme Store

The telephone company

All the Gas Stations

And even the small Chinese Laundry . . . it had a bank loan of more than twenty per cent of its capital assets which made it subject to expropriation.

David Palgrave, who lost his license as SUNOCO dealer, mentions publicly his disapproval of these high-handed actions. Some days later he and his family disappear. His station was handed over to the young boy who had worked for him on a part-time basis.

The owner of the laundry and his family are facing starvation.

He willingly accepts a job at the city post office and meets

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the conditions required by joining the party. His new baby must be fed and there isn't any credit at the state-owned Acme store.

Period Six: In two months, a new purge, which results in the abduction of five families.

BY NOW, IN A YEAR AND A HALF, ONLY TWENTY-FIVE FAMILIES
TOTALLING SEVENTY FIVE SOULS HAVE BEEN ARRESTED.
BUT TWO THOUSAND NINE HUNDRED AND TWENTY-FIVE PEOPLE LIVE

IN CONSTANT FEAR.

Period Seven:

All businesses or enterprises which employ more than fifteen men, or are worth more than a hundred thousand dollars are nationalized. Trucks, passenger cars, and homes, if on the same site as the business, are included.

The new legislation passes a new law. Every person under sixty, if unemployed, can be enlisted for any state labor. Consequently, all deprived shop-owners and small enterprisers, to avoid being drafted for hard labor in a distant location, take any job they are offered by the communists in their own locality. This is the pattern whereby they secure white collar workers.

Period Eight: Two months later.

All lawyers and doctors are nationalized. As they may be drafted now as unemployed labor for hard manual work, the bulk of them willingly accept any white collar job offered by the government in any part of the country.

#### Consequences:

Stores and small enterprises still remaining in private Approved For Release 2000/09/01: CIA-RDP83-00423R000400780002-0

hands all gradually go out of business of their own accord.

Because: their selling hours are limited to eight hours.

Acme and other state stores can sell for twelve.

hours.

According to the law they must pay much higher taxes than similar state enterprises.

And much higher wages to their employees.

These employees do not benefit from these higher wages as they must reimburse trade-union or party funds.

Products manufactured by larger enterprises now owned by the state can be distributed only by state stores.

For this reason, they cannot sell DuPont products, Johnson Wax, Armor Ham, or Tasty-Cake, etc. They run out of stock and their fate is fulfilled.

This is the time when labor, which by now works almost entirely in state enterprises, starts to be shifted. The old foremen are all transferred, as well as many of the rank and file. They get a notice that within a week they must report for work in a distant state. They may dispose of their properties, and take their families. If they resent leaving their homes or rebel at not finding living quarters in their new location, they are arrested on the spot, deprived of everything, and sent with their families to a labor camp. It generally seems a better choice to accept the transfer. These transfers, from this date on, will amount to about ten

per cent of labor in the first year and will increase gradually in the coming years. The remaining ones all make every effort not to get on the transferred list. Many have parents in this place, or a wife with a job. THIS INDICATES THAT COMMUNISM IS A MENACE NOT ONLY FOR PEOPLE WITH MEANS, BUT FOR EVERY INDIVIDUAL, REGARDLESS OF HIS MONETARY STANDING. THE WELL-TO-DO ARE HIT FIRST, BUT THE OTHERS, TOO, ALL FOLLOW IN TIME.

To make the picture complete, piece rates are introduced on almost all lines of production. Standards are set so that in an average eight hour day one must produce twenty-five to thirty per cent more than formerly to obtain the same wage. Should higher wages be granted with one hand, the other hand will take them in the form of compulsory party contributions, or, as they call them, free offerings for a better future.

Because most of these standards cannot be reached in an eight hour shift, once or twice a week it will be compulsory to work overtime without pay: a grim and unknown thing on this side of the Atlantic.

Everyone is compelled to attend party or trade-union rallies at least another two or three nights a week. One has little time to oneself or to be with the family. This pattern is designed so that there is not time to think and be disgruntled. Should one rebel there is always a concentration camp.

Period Nine: Within four months: A mass purge of about four per cent of the population of New Holland. Ministers, professional men, small business men, fired officials, wealthy people, and disgruntled labor make up the list. The former mayor and the President of the Machine Company are included. They are all dragged away from their homes on two successive nights with their families, including babies and bed-ridden old people. These are nights of horror for the entire town, truly a Reign of Terror.

Everyone stays up all night and watches from behind closed window screens. No one knows who is on the list. Everyone hopes the Secret Service truck will stop at the house next door and not at his. Those whom the truck picks up are given an hour to get ready. Fifty pounds of belongings is the limit. The trucks take the unfortunate ones to the rail-road station where they are shipped in box cars to Nevada to build an irrigation plant. Many die on the road from over-crowding and lack of water. One per cent, at least, will die in the first year under the hard manual labor conditions in that distant desert. This one per cent must be replaced. In a year the trucks will once more be back in New Holland.

Everyone by now is terrified. Everyone hopes, prays, intrigues to show their loyalty to their new masters, trying to prove that his neighbor and not himself should be included in the next purge. They know only too well what happened to the pretty high school girl next door who died from her

treatment in the coal-pit. They do things which would have been unbelievable a year or two ago, which would then have shocked their moral standards.

They denounce their friends.

They falsely testify against relatives.

They spy on their neighbors.

They are hopelessly entangled in the blind alley of heinous compromises, far beyond human pride, until the Calvary.

If you walk down Main Street, New Holland, or Anytown, U.S.A., or Anytown on the globe three and a half years after V. C. Day (which stands for Victory of Communists), you shall rarely see a familiar face. You may finally recognize someone but he will quickly turn his back to you. He can't jeopardize his safety by speaking to you. Who knows what danger may be lurking in your human shell. You will start thinking of many confusing things, but it will be too late. Even thinking is dangerous.

Part IV:

At this point a question is welcomed.

What curtain of dense fog is capable of lowering the screen and beshaddowing the stage, deceiving the clairvoyancy of men who manipulate the horrors in this tragic play, whose feverish dreams invoke promising days of a better life in the frame of this maddening, bloodsoaked picture?

It is proved by manifold evidence that the dreamers, the philosophers, who chase rainbows through nightmares, with their perverted ideals, who kindle the stimuli of communist ideology at whatever price, make up only a quarter of one per cent of the total number of communists. The bulk of the echelon is formed by fellow-travelers consisting of the large group of easy go-getters and the endless number of victims of the "CALWARY OF COMPROMISE."

The question still remains whether those who charge their deadly weapons of festering ideals, such as the Lattimores and Hisses, without actually planning to pull the trigger themselves, should be considered as guilty as their faithful followers, who in fact are murderers and criminals.

Since the days of the Romans our legal procedures have been based on the assumption that instigators of crimes are at least as guilty as those who commit the crimes.

This makes it clear and mandatory that we overcome all sentimentality: all people who unite, in whatsoever capacity, to force their fellow men into degradation and bondage should all be considered equally responsible.

THE CARDINAL LIE OF COMMUNISM CUIMINATES IN THE PROMISE OF BETTER LIVELIHOOD, and spiritual changes are stressed as of only secondary importance.

However, from the very day they take control of power they seem unable and unwilling to live up to these promises. Imaginary dates, five and ten year plans, take the place of fulfillment. Consequently, their reign, all over the

world, is highlighted with the most biting acid of poverty and famine, in all walks of life, that the world has ever known.

They are aware that fellow travelers, as well as innocent people and victims of the Calvary of Compromise, can never forget their happier past, their life in the old days, without fear and hunger, in comparatively secure circumstances. They know that well-disguised in the bottom of countless hearts, on their silent lips, the fire of irreconcilable hate and revenge shall always kindle against their oppressors. The presence of these people is a constant danger. Danger, according to their doctrine, must be eliminated without human emotion. They consider them tools manufactured of waste material:

unworthy of too great care

too valuable to discard without full use.

For this reason, and not humanity, the Communists do not kill their captives immediately. Still, they must eventually be eliminated.

They wear them out,

with fast turnovers

as tools of spoiled materials

in high-pressured labor camps.

In their minds the only reliable elements are those who have been born into the communist world. Who know nothing else,

who were taught from early childhood

that anything good they experience

they owe to the Communist Government

and therefore shall never deviate, spellbound

by the past.

The same pattern applies to the entire non-communistic world. As long as there are free countries in the world

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who, without communistic rule

without drastic social changes

are capable of achieving a higher standard of living and a feeling of well-being for the people than the communists may hope to achieve for many years to come, there can be no compromise, no appeasement.

They know implicitly

that in their hated scapegoat for all that is evil,

In the U.S.A. with its dreaded capitalistic system
the standards of living from the lowest brackets on up are far higher than
have ever been experienced in history. Even if the Communists intended to, it
would be many years before they could approach such a standard.

For this very reason they built the Iron Curtain against free public communication, to keep their people in ignorance and with false beliefs about the free world. They have no illusions that should this curtain drop Russian bosses could retire to Hyde Park or Independence, Russia.

They fear the uprising which would tear them to pieces.

They do not disregard the danger to their own lives.

To prevent any cracks in their curtain they have created the strongest police and security force ever experienced in history to stamp out any truth before it can spread. This constant danger also incites them to build vast armed forces which they consider as tools to wipe out all other countries when the time comes, to eliminate, once and for all, the cradles of mortal danger, mainly the United States.

To achieve this goal they are compelled to divert the bulk of their production

for rearmament

for maintaining their oppressive police force,

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the sole source of their staying power.

For these reasons

the incredibly low standards cannot be increased their goal shall perhaps never be reached as all blame for poverty can be laid to the American warmongers.

For these reasons

the dangers of aggression will always continue compromises and appeasements must be ruled out of every thinking mind.

This is why there can never be a compromise.

#### TO SUMMARTZE:

We must strongly differentiate

between: aggression

backed by materialistic promises and the spiritual problems

of a false ideology,

Each has an entirely different solution.

The enemy, the aggression, is on our doorstep.

There seems no solution but to meet force with force.

Should this have a satisfactory ending, we still have reached only the cross-road.

The New Yalta.

The terrific task of stamping out spiritual diseases will still abide. It would be hopeless to have the second act precede the first.

The non-compromising enemy, as he has so often in the past, would double-cross all our true efforts.

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#### Rotarian Friends:

Those of you who honored me, listening carefully to this paper, may discover in the sequence a slight controversy of utmost importance.

I said that the idealistic communists are very neglectful of a number of people within their own ranks. The bulk of the communists are ideologically unenthusiastic jack-pot chasers, carrier hunters.

And now I stand here waging a spiritual war against something which is neither large in number or the nucleus of the peril.

Logistically it would follow that if it is only a handful of people who are enthusiastic about their Red Gospel, once restricted of their evil doings, the complete trend would change.

Not being the nucleus of peril, they are the loud, articulate element. They are the cement that stabilizes the walls of bricks. The walls divert the flow of normal life in artificial ways into floods: floods of water, of ideas, the tides of revolution. The task of building jettles of stone to divert the water or devices to cause floods on the streams of ideas which run through all continents is always immeasurably easier than building preventitive dikes as creative work is always harder than destruction.

Who can tell at what spot on the globe the next sneak pressure will occur and the dikes give way to the floods?

Let us investigate those many small bricks, the masses of them, which form the bulk of the wall. Their number and their volume is much larger than the cement needed to concatinate them.

CEMENT WITHOUT WALLS WOULD BE USELESS.

Should anyone else come along with a more appealing proposition he could cement together those masses of bricks, with his better material; into peaceful farm houses, schools, and other creative developments, serving

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irrigation systems instead of floods.

Herein lies the bulk of the danger.

The mass of people, without special capabilities or skills, are always only too willing to lie down to anything offering the mere sight of easy success regardless of how irrelevant it may be. Most of them do not care a thing about communistic ideas and are not enthusiastic about doctrines, which as part of their duty they must repeat constantly. Some of them are the easy go-getters, job seekers and other unscrupulous elements.

These are the answers to the ununderstandable question, how can nations without wanting to, become the victims of communists? If no one wants it, how can it happen? They are the people who, as we saw it in Europe, gave, within five years, the bulk of the rank and file both to the Nazis and the Communists, two basically different but mutually false doctrines. On any place on earth they would be the ardent followers of any isms to come, of AntiChrist, AntiBuddha, or a Chinese dragon, whatever stirs hope for ignorant or easy gogetters.

LET ME TELL YOU THAT EVERY SOCIETY IN THE WORLD HAS THESE ELEMENTS IN FAR LARGER PROPORTION THAN YOU MAY BELIEVE. They camouflage in times of order, but reappear as cliffs in the Susquehanna, when waters are low, when times are low.

You have them in this community, too. At this time, you just do not pay too much attention to their presence. They would be, with the methods mentioned in this paper, voluntary or involuntary, enthusiastic or victimized spear-bearers to undermine your life. They are everywhere, on the waterfront of New York, in the Kentucky Mountains, in the unions of Detroit, and in White Plains, New York.

Do not be misled. Their appearance in this country, where living Approved For Release 2000/09/01 : CIA-RDP83-00423R000400780002-0

standards are so high, is even less confined to the low income brackets than in other lands. Environment and poverty are certainly good stimuli, but, as I have said, they are no criteria of the weaknesses of the soul which occurs percentagewise in all shifts of society.

The Communist conspiracy is highlighted with the fact that in order to achieve and maintain power

IT WILL CLOSE RANKS WITH ALL CRIMES AND CRIMINALS
TO USE THEM AS TOOLS

provide them with weapons and powers
to suppress and make terror-ridden all noncommunistic societies.

In the field of Justice and Security they fully impose
A LEGALIZED STATE OF DISORDER BY UNSTABLE ELEMENTS
by letting them combine

their hideous criminal tasks for their own benefits
with the communist party's functions and directives.

They are desperados, whose activities range from looting, killing, insulting women, to highway robbery. But all this is overlooked by the Red bosses as a reward to them for carrying out obediently the communist instructions.

This fits into official plans by helping to solve the embarrassing question of what to do with those people, quite large in number, perhaps financiers, or laborers, or foremen, against whom, because of their high repute, it is inadvisable to bring charges. These are the people who disappear during the night or are found slain in the street. To save face, the authorities next morning, will send perhaps the self-same security police officials to investigate who committed the act some hours before. They will turn in a report accusing American spies, Fascists, or other neighbors who for the same reasons are doomed

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to the same fate. They will be arrested, their belongings confiscated, which the officials may keep as their bribe money. These innocent people, under torture, will admit to the crimes, and perhaps even add they have been instigated by American instructions through the radio; their way is henceforth open to the gallows or labor camps.

Even the day of these legalized criminals is doomed. After some time they might get too powerful and boastful and endanger their masters. They, too, the faithful servants and executioners, fall into the spider's web. They, too, are eliminated, imprisoned, or executed and their families sent to labor camps. Their amassed wealth is confiscated, for the benefit of those who follow them in the teak.

This is how they work the terror.

THEREFORE THE COMMUNIST CONSPIRACY CUIMINATES, EXPLOITING HUMAN WEAKNESS, BY COATING IT INTO AN IDEOLOGY WHICH PROPOSES TO TRANSFORM HUMAN SOCIETY BY FORCE AND CRIMINAL ACTION.

For this purpose, they apply everything we consider unmoral in our society. You either follow their ranks, if you are given a chance to do so, or are eliminated by torments of body and soul. Do you follow their ranks, you are on the endless road, too, to the Calvary, by compromises.

It is not necessary for everyone who follows them to loot and murder. There are hundreds of other ways which they can find by which one can incriminate oneself. If you work for them, you must sell the integrity of your spirit. At first one doesn't realize this. You will be considered a traitor by all your old friends, but no one will rick letting you know it. You will be hopelessly incorporated in the "no way back, just straight forward" path, through vain glories, up to the gallows. For most people this is the end of the road.

Therefore we must fight against these unstable characters and apostles of evil in all countries where they occur.

The solution seems to be a slow one:

an enlightening

character forming education.

A deeper, more Christian attitude towards human problems which occur regularly in all societies.

Revaluation of all faiths, Christian and non-Christian alike teaching of technical methods to backward countries to obtain higher standards of living.

These seem, to me, the sole solutions.

I am firm in the belief that the great task is not so much to stamp communist doctrines out of the minds of people. This will be taken care of by the victimized people themselves. All over the world, the better they know them, the longer they have been oppressed, the more bitterly they despise them. The task seems to be to eliminate the spirit of hooliganism. But should it be swept out, let us not leave the terrible vacuum open. Let us fill it with something better morally and spiritually

for their happiness

and our security

both of which should work toward the mutual goal, in the spirit of the Gospel or of Confuscious or of ethical reasoning for something that makes life fuller and more worthwhile living.

Our methods differ in many ways from those who are on the other side of the fence. In the East it is mandatory for people to accept, with unconditional obedience, anything broadcast from any soap-box by any official. The Western civilization seeks to have people understand and interpret all problems individually and morally.

It even offers to a layman, who may not even be a native of this land, the opportunity to introduce events in the light, as God granted him the favor to see them, enjoy, dread or interpret the happenstance of life.

I, an observer of these human or inhuman deeds, do not pretent to cast judgment or to influence you. All I hope to do is to clear the burls from the vista of the horizon, from the abounding, confusing, betraying whirls of actions, and when my task is completed and my story is through, to rely entirely on my most powerful allies,

your conscience and your intellect.

#### Part V:

Seventeen centuries ago the ancient and proud lower Kingdom of the Nile, referred to as Egypt, was overrun and subjugated by the barbaric legions of Imperial Rome. In Alexandria, the newly founded city of the great Macedonian conqueror, there was a virgin of noble birth whose name was Catherine.

She became one of the great martyrs of Eastern Christianity. Even under torture, she refused to renounce her faith in the principles and ideals she believed. In this noble cause she willingly took the martyr's crown.

Her surname has perished in oblivion through the wake of history, but the wheel, the symbol of the endorance of St. Catherine, the symbol of abiding faith, the belief in the ideals that are worth dying for or living for, shall always remain in the hearts of men and in the crest of International Rotary Clubs.

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Rotarian Friends: To achieve physical victory is in this matter beyond any man's individual power.

But the spiritual victory depends on our minds. Truth, Justice, a deeper Paul Harris or Justice Oliver Wendell Holmes kind of thinking are the pivots of our support.

Gentlemen: We are all human; we all err, we all deviate in a life span, from straight lines of principles, in one way or another; some by being exposed to torture, others by intellectual failings, and again others just by human weakness.

As the twilight of life approaches, we all tend to justify our failures and glorify our deeds. We can learn and accumulate much knowledge in advanced schools, but with all the devices of science the judgment still depends on our insight, on the soul.

To a certain extent through life we must all compromise, but we must all discover

by vision

or reason

that there is a point beyond which all compromise is a crime against human dignity. Surpassing this point the glorious wheel, the Wheel of St. Catherine, your symbol, could never turn toward good but only spin in the dust.

Let us pray and realize this truth with reason and all unite in mutual effort that neither we, nor any fellow man, shall ever turn the wheel beyond this point

down the Hill

the Hill of Smills

of compromises

off -- to eternal Calvary.

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